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INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE

UNCLAS MANAGUA 001071

SENSITIVE  
SIPDIS

STATE PASS OPIC: LOREN RODWIN

E.O. 12958: N/A  
TAGS: [ENV](#) [EFIN](#) [EAD](#) [ECON](#) [PGOV](#) [PREL](#) [NU](#)  
SUBJECT: NICARAGUA: APPLICATION FOR OPIC FINANCE - FINDESA

REFS: (A) STATE 83795, (B) MANAGUA 932

[1](#)1. (U) Summary. Embassy Managua has reviewed OPIC's proposal to include Nicaragua's FINDESA as part of its \$54 million loan to the Global Microfinance Facility (GMF). We conclude that there are no reasons why the loan should not proceed. End Summary.

Company Standing  
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[1](#)2. (U) FINDESA, founded in 1993, is one of Nicaragua's largest MFIs representing approximately 25 percent of the country's microlending market

[1](#)3. (SBU) The Superintendent of Banks reports that it views FINDESA as a financial institution in good standing. Post has no derogatory information on FINDEA or its officers.

Recent Events  
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[1](#)4. (SBU) In support of an incipient political movement against MFIs, President Ortega accused Nicaraguan MFIs of "usurious lending" practices. In July 2008, some protests turned violent in the northern department of Nueva Segovia (Ref B). One protest resulted in the kidnapping of a local MFI branch manager. Another resulted in protesters setting fire to an MFI storefront in the city of Ocotal. Still others resulted in road closures and the barricading of various MFIs.

[1](#)5. (SBU) Members of the financial community have commented that Ortega's rhetoric has contributed to the radical nature of these protests and SANDERS